

SIXTY-FIFTH
ANNUAL REPORT OF THE BOARD OF DIRECTORS
OF
THE MICHIGAN CENTRAL RAILROAD COMPANY
TO THE STOCKHOLDERS
FOR THE YEAR ENDED
DECEMBER 31 1910

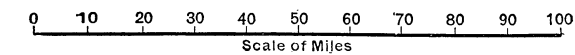


DETROIT
MICHIGAN

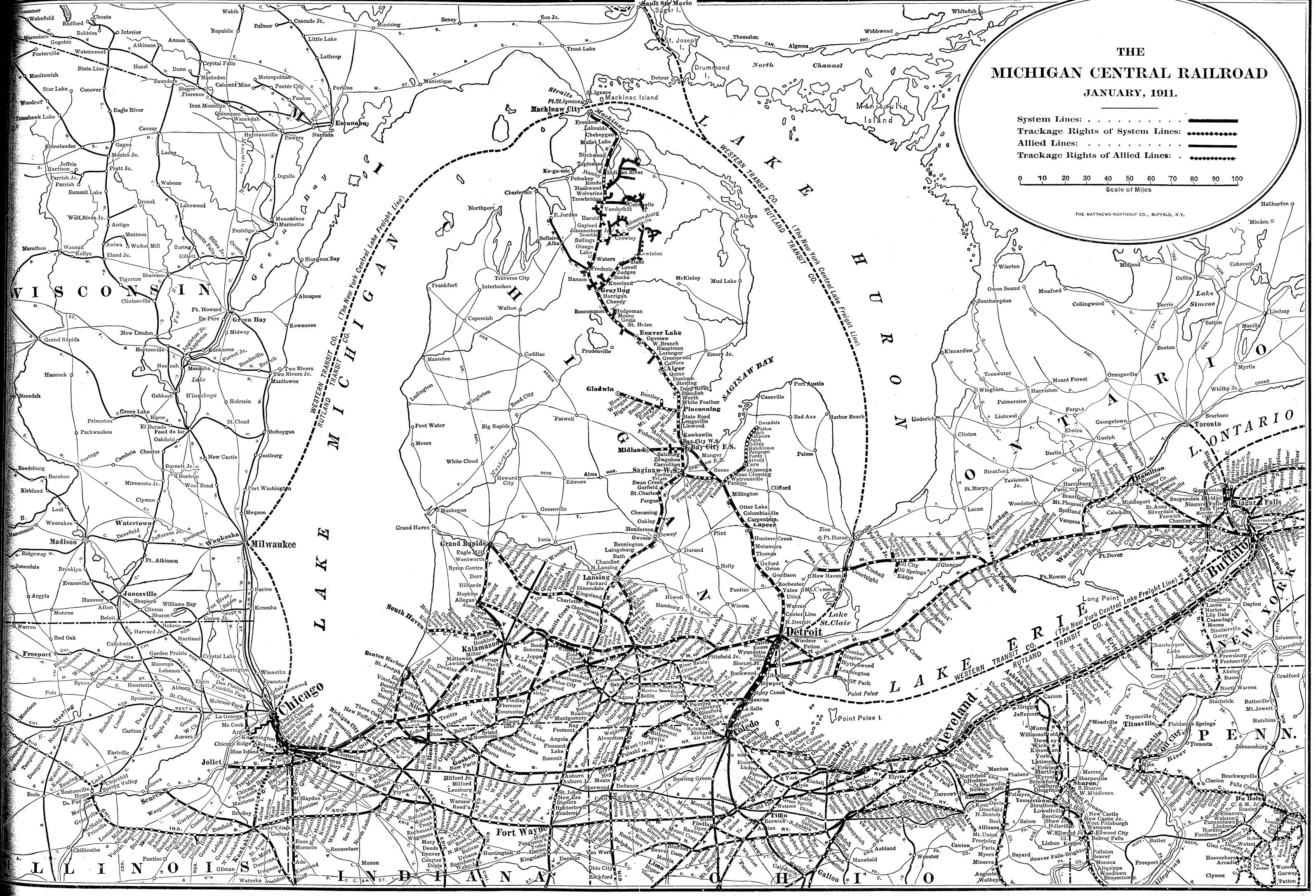
THE MICHIGAN CENTRAL RAILROAD

JANUARY, 1911.

System Lines:
Trackage Rights of System Lines:
Allied Lines:
Trackage Rights of Allied Lines:



THE MATTHEWS-NORTHROP CO., BUFFALO, N. Y.



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DETROIT
MICHIGAN

ORGANIZATION OF THE MICHIGAN CENTRAL RAILROAD COMPANY

DECEMBER 31, 1910

DIRECTORS

Elected at the annual meeting of stockholders held at Detroit, Michigan, May 5, 1910

HENRY B. LEDYARD, *Chairman*

WILLIAM K. VANDERBILT	J. PIERPONT MORGAN
FREDERICK W. VANDERBILT	WILLIAM ROCKEFELLER
CHAUNCEY M. DEPEW	JAMES STILLMAN
LEWIS CASS LEDYARD*	WILLIAM C. BROWN
WILLIAM K. VANDERBILT, JR.	GEORGE F. BAKER
WILLIAM H. NEWMAN	MARVIN HUGHITT

* Appointed March 1, 1910

EXECUTIVE COMMITTEE

HENRY B. LEDYARD, *Chairman of the Board of Directors**

WILLIAM C. BROWN, *President**

WILLIAM K. VANDERBILT	LEWIS CASS LEDYARD
FREDERICK W. VANDERBILT	WILLIAM ROCKEFELLER
J. PIERPONT MORGAN	WILLIAM H. NEWMAN

JAMES STILLMAN

**Members ex officio*

OFFICERS

President	WILLIAM C. BROWN	New York
Assistant to President	WILLIAM K. VANDERBILT JR.	New York
Vice President	JOHN CARSTENSEN	New York
Vice President	CHARLES E. SCHAFF	Chicago
Vice President	ALBERT H. HARRIS	New York
Vice President	CHARLES F. DALY	New York
Secretary	DWIGHT W. PARDEE	New York
Treasurer	CHARLES F. COX	New York
Local Treasurer	JOHN E. GRIFFITHS	Detroit
General Auditor	RICHARD M. HUDDLESTON	Chicago
Auditor	FRANK O. WALDO	Detroit
General Counsel	HENRY RUSSEL	Detroit
General Solicitor	CLYDE BROWN	New York
General Land and Tax Agent	HERBERT D. HOWE	Chicago
General Manager	RICHARD H. L'HOMMEDIEU	Detroit
General Superintendent	SHELDON W. BROWN	Detroit
General Supt. Freight Transp.	HERBERT J. MERRICK	Chicago
Chief Engineer	GEORGE H. WEBB	Detroit
General Supt. MPRS&M	JOHN F. DEEMS	New York
Superintendent Motive Power	EDMOND D. BRONNER	West Detroit
General Purchasing Agent	FRANCIS H. GREENE	New York
Purchasing & General Tie Agent	JOSEPH F. FARRELL	Detroit
Freight Traffic Manager	GEORGE H. INGALLS	Chicago
General Freight Agent	WILLIAM C. ROWLEY	Detroit
General Coal and Ore Agent	HARRY BROMLEY	Cleveland
Passenger Traffic Manager	WARREN J. LYNCH	Chicago
General Passenger Agent	OLIVER W. RUGGLES	Chicago

The annual meeting of stockholders for the election of directors, is held in the city of Detroit, Michigan, on the Thursday following the first Wednesday in May.

REPORT

To the stockholders of

THE MICHIGAN CENTRAL RAILROAD COMPANY:

The Board of Directors herewith submits its report for the year ended December 31, 1910, with statements showing the results for the year and the financial condition of the company.

The report covers the operation of the following mileage:

	<i>Miles</i>
Main line	270.07
Proprietary lines	345.05
Leased lines	1,096.16
Lines operated under trackage rights	92.01
Total road operated (as shown in detail on another page)	<u>1,803.29</u>

The total road operated as shown in the report for 1909 was 1,746.46 miles. The increase of 56.83 miles shown for this year is accounted for as follows:

Added

Detroit River Tunnel, opened during the year	2.42	
Operated under trackage rights, not heretofore shown in table of tracks	<u>78.01</u>	80.43

Deducted

Jackson, Lansing & Saginaw railway track, (Saginaw Bay & Northwestern branch) taken up		<u>23.60</u>
Net increase		<u>56.83</u>

There was no change in capital stock during the year, the amount authorized and outstanding being \$18,738,000.00.

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The funded debt outstanding December 31, 1909, was		\$42,159,000 00
It has been increased during the year ended December 31, 1910, by the issue of this company's fifty-year four per cent bonds out of an authorized total of \$4,500,000.00 (secured by mortgage executed by this company and the Grand River Valley Railroad Company, dated September 1, 1909) for the purpose of refunding a like amount of Michigan Central-Grand River Valley six per cent bonds, maturing September 1, 1909	\$1,500,000 00	
There has also been placed upon the general books of the company its pro rata liability in connection with the certificates issued under the New York Central lines equipment trust agreements of 1907 and 1910	8,472,004 13	9,972,004 13
		<u>\$52,131,004 13</u>
It has been decreased during the year ended December 31, 1910, as follows:		
Michigan Central three-year five per cent gold notes, maturing February 1, 1910, surrendered and paid	\$10,000,000 00	
Installment on New York Central lines equipment trust certificates of 1907, paid November 1, 1910	260,425 45	10,260,425 45
		<u>\$41,870,578 68</u>
Total funded debt December 31, 1910 (detail on another page)		
The total amount charged to road and equipment on December 31, 1910, was \$64,807,028.32 as follows:		
Amount charged against main line to December 31, 1909		\$37,960,988 29
There was charged for additions and betterments in 1910, as shown in detail on another page		
Against capital account		
For road	\$489,688 42	
For equipment	8,246,527 10	
		\$8,736,215 52
Against income account		
For equipment	1,487,299 26	10,223,514 78
Total main line		<u>\$48,184,503 07</u>
Amount charged account leased lines to December 31, 1909	\$15,621,291 46	
There was charged for additions and betterments in 1910 against capital account for road, as shown in detail elsewhere	1,001,233 79	
Total leased lines		<u>16,622,525 25</u>
Total		<u>\$64,807,028 32</u>

The Michigan Central Railroad Company

The construction of the double tube tunnel under and across the Detroit River, begun in October, 1906, by the Detroit River Tunnel Company, the entire capital stock of which is owned by this company, as referred to in a previous report, has been practically completed, and has proved an entire success. It was put into experimental use for through freight traffic October 9, 1910. The Chief Engineer of the Canadian Railway Commission inspected and approved the work and the Commission issued its order authorizing the use of the tunnel October 14, 1910. Regular freight and passenger service was inaugurated October 16, 1910. There still remains some work to be done, consisting principally of the interlocking system and additional equipment for the electrical sub-station, which it is estimated will cost \$200,533.00, making the total cost, including interest on the money advanced from time to time by the Michigan Central, \$8,922,165.00. The acquisition of terminal freight and passenger yards and station buildings by the Tunnel Company will require a considerable sum in addition to the amount above mentioned.

The important litigation pending for a number of years between this Company and the State of Michigan relative to this Company's claim against the State growing out of the repeal of its special charter, and the counter claim of the State against this Company for alleged non-payment of back taxes during the years 1855 to 1893, was adjusted in June, 1910, by the payment to the State of \$125,000.00.

To obtain the locomotives and cars necessary for immediate requirements, The Michigan Central Railroad Company, together with The New York Central & Hudson River Railroad Company, The Lake Shore & Michigan Southern Railway Company, The Cleveland, Cincinnati, Chicago & St. Louis Railway Company and the Chicago, Indiana & Southern Railroad Company has become a party to an equipment trust agreement and lease dated January 1, 1910, known as the "New York Central Lines Equipment Trust of 1910." This agreement provides for an issue of \$30,000,000 of equipment trust certificates, bearing interest at 4½% per annum, being 90% of the total cost of the equipment to be furnished under the terms of said agreement. These certificates are to be paid off in fifteen annual installments of \$2,000,000.00 each, the first installment being payable January 1, 1911. The cost of the equipment to be leased under the terms of the agreement by this company will be \$5,651,637.00 and its pro rata liability for certificates representing 90% of the cost is \$5,086,473.30. Full particulars as to the character of the equipment acquired will be found upon another page.

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SUMMARY OF FINANCIAL OPERATIONS AFFECTING INCOME

OPERATING INCOME	1910	1909	Increase	Decrease
RAIL OPERATIONS	1,803.29 miles operated	1,746.46 miles operated	56.83 miles	
Revenues	\$29,694,815 71	\$27,415,467 20	\$2,279,348 51	
Expenses	21,628,906 26	18,499,528 24	3,129,378 02	
NET REVENUE FROM RAIL OPERATIONS	\$8,065,909 45	\$8,915,938 96		\$850,029 51
Percentage of expenses to revenue	(72.84%)	(67.48%)	(5.36%)	
OUTSIDE OPERATIONS				
Revenues	\$543,636 69	\$489,927 04	\$53,709 65	
Expenses	599,951 82	541,079 10	58,872 72	
NET DEFICIT FROM OUTSIDE OPERATIONS	\$56,315 13	\$51,152 06	\$5,163 07	
NET REVENUE FROM ALL OPERATIONS	\$8,009,594 32	\$8,864,786 90		\$855,192 58
TAXES ACCRUED	1,357,019 92	1,121,531 99	\$235,487 93	
OPERATING INCOME	\$6,652,574 40	\$7,743,254 91		\$1,090,680 51
OTHER INCOME				
Joint facilities rents	\$229,289 51	\$185,157 79	\$44,131 72	
Miscellaneous rents	2,676 02	3,011 19		\$335 17
Dividends on stocks owned or controlled	287,241 50	248,153 85	39,087 65	
Interest on funded debt owned	46,880 00	33,760 00	13,120 00	
Interest on other securities, loans and accounts	440,969 02	471,397 82		30,428 80
Miscellaneous income	86,623 87		86,623 87	
TOTAL OTHER INCOME	\$1,093,679 92	\$941,480 65	\$152,199 27	
GROSS CORPORATE INCOME	\$7,746,254 32	\$8,684,735 56		\$938,481 24
DEDUCTIONS FROM GROSS CORPORATE INCOME				
Rentals of leased lines	\$585,310 00	\$510,310 00	\$75,000 00	
Hire of equipment				
Car mileage and per diem balances	1,073,983 18	714,640 99	359,342 19	
Interest on equipment trust certificates	261,523 99	180,127 61	81,396 38	
Joint facilities rents	620,568 83	516,400 76	104,168 07	
Miscellaneous rents	6,069 24	5,959 84	109 40	
Interest on funded debt	2,535,398 33	2,451,584 32	83,814 01	
Other interest	746,367 95	747,290 52		\$922 57
Other deductions	199,701 96	137,000 00	62,701 96	
TOTAL DEDUCTIONS FROM GROSS CORPORATE INCOME	\$6,028,923 48	\$5,263,314 04	\$765,609 44	
NET CORPORATE INCOME	\$1,717,330 84	\$3,421,421 52		\$1,704,090 68
DIVIDENDS, TWO, AGGREGATING 6%	1,124,280 00	1,124,280 00		
SURPLUS	\$593,050 84	\$2,297,141 52		\$1,704,090 68
Additional equipment		\$548,924 72		\$548,924 72
On account 1910 proportion of New York Central Lines 1907 and 1910 equipment trusts	\$250,000 00		\$250,000 00	
BALANCE TO PROFIT AND LOSS	\$343,050 84	\$1,748,216 80		\$1,405,165 96
AMOUNT TO CREDIT OF PROFIT AND LOSS DECEMBER 31, 1909				\$9,965,978 28
BALANCE TO PROFIT AND LOSS FOR YEAR 1910				343,050 84
				\$10,309,029 12
DEDUCT				
Balance of 1910 proportion of installments New York Central Lines equipment trusts of 1907 and 1910			\$349,523 67	
Ten per cent payments account of equipment trust of 1910			481,807 00	
Discount, commission and expenses in connection with New York Central Lines equipment trust certificates of 1910, Michigan Central-Grand River Valley bonds and Michigan Central one year franc notes			240,356 38	
Payment to State of Michigan in consideration of discontinuance of pending litigation			125,000 00	
Deficit from operation Detroit Terminal Railroad prior to 1910, property abandoned and sundry uncollectible accounts			60,389 96	1,257,077 01
BALANCE TO CREDIT OF PROFIT AND LOSS DECEMBER 31, 1910				\$9,051,952 11

The Michigan Central Railroad Company

The total operating revenues were \$29,694,815.71 an increase of \$2,279,348.51 as compared with the previous year.

The freight revenue was \$19,282,288.45, an increase of \$1,014,758.01. This was due to increased movement of coal, stone, forest products and miscellaneous commodities.

The passenger revenue was \$7,404,475.66, an increase of \$748,776.81 due to a large excursion travel and general improvement in both local and interline business.

The express revenue was \$1,519,949.67, an increase of \$275,204.53 due to an enlarged volume of business.

The revenue from the transportation of mails was \$431,625.32, an increase of \$22,413.09 due principally to additional compensation allowed by the United States Government, from July 1st, 1910, for carrying through mails.

The operating revenue from all other sources increased \$218,196.07 over the previous year.

The total expenses of operation were \$21,628,906.26, an increase of \$3,129,378.02 due very largely to increased cost of labor, cost of fuel consumed and material used.

Maintenance of way and structures increased \$577,095.54, due to additional expenditures for repairs to roadway, track, bridges, buildings and separation of grades; increased expenditure for labor amounted to \$377,640.46, of which \$212,719.16 was due to increased rates of pay.

Maintenance of equipment increased \$367,783.79 account of extensive repairs to and renewals of locomotives and cars of all classes. The increase account of labor amounted to \$170,511.92, of which \$74,081.46 was due to increased rates of pay.

Traffic expenses increased \$104,482.86 due largely to tentative changes in tariffs.

Transportation expenses increased \$1,972,899.20, due to the heavy volume of traffic handled and the large increase in cost of labor and fuel. Increase account of labor amounted to \$1,347,207.73, of which \$458,816.94 was due to increased rates of pay. Increase account of fuel consumed amounted to \$407,605.05, of which \$99,719.13 was due to increase in price.

General expenses increased \$107,116.63, which includes an increase in pay roll expenditures of \$23,498.53, of which \$5,995.00 was due to increased rates of pay.

There was an increase in the deficit from outside operations of \$5,163.07 over the previous year, due to additional expenditures in the operation of dining car service and grain elevators, partially offset by increased revenue from stock yards service and restaurant service.

The operating income was \$6,652,574.40, a decrease of \$1,090,680.51.

Other income was \$1,093,679.92, an increase of \$152,199.59 due to additional amount received from rentals, also interest and dividends from securities.

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Total deductions from income amounted to \$6,028,923.48, an increase of \$765,609.44 due to interest on gold debentures and equipment trust certificates, additional rental paid Canada Southern Railway Company in accordance with the terms of the lease; increased amounts paid for hire of equipment and rentals of joint facilities; and proportionate share of deficits from operation of Indiana Harbor Belt and Detroit Terminal railroads.

The profit from operation for the year, after payment of six per cent in dividends upon the capital stock and proportion of 1907 and 1910 trust equipment installments chargeable to the current year, was \$343,050.84, which has been carried to the credit of profit and loss.

Mr. Ashley Pond, Advisory Counsel of this Company, died January 12, 1910. Mr. Pond became a director of the company in 1878, and with the interval of the two years between 1883 and 1885, remained a director until 1906, when he retired from active work, but continued as Advisory Counsel until his death. He was also for a time General Counsel of the Lake Shore & Michigan Southern Railway Company.

The great value of his services, the benefit of the wise and sound advice of so eminent a member of the profession, the kindly character of the man, and his loyalty to the company and its interests, cannot be too highly expressed.

The Board records the death, on January 11, 1910, of Mr. Hamilton McK. Twombly, a director of this company since December 21, 1899.

The Board also records the death, on December 11, 1910, of Mr. Edward V. W. Rossiter, a vice president of this company since June 23, 1904.

On March 1, 1910, Mr. Lewis Cass Ledyard was appointed a director to fill the vacancy caused by the death of Mr. Twombly.

The following appointments of officials were made during the year:

January 1,	Richard M. Huddleston, General Auditor.
January 1,	Barrett B. Mitchell, Assistant to Vice President C. F. Daly.
January 1,	Edwin E. Pettibone, Assistant General Land and Tax Agent.
January 1,	Otley B. Cockrum, Assistant General Land and Tax Agent.
January 1,	Malcolm T. Wright, Superintendent of Terminals, Detroit.
January 1,	William H. O'Keefe, Division Superintendent, Jackson.
January 15,	Wallace W. Ryder, General Superintendent of Telegraph.
February 1,	John W. Daly, Assistant Passenger Traffic Manager.
March 1,	Nathaniel E. Slaymaker, Real Estate Attorney.
April 18,	Herbert J. Merrick, General Superintendent of Freight Transportation.
June 1,	Roscoe B. Kendig, General Mechanical Engineer, succeeding Frederic M. White, resigned.
July 11,	Arthur C. Thomas, Car Accountant.
July 15,	William K. Vanderbilt Jr., Assistant to President.
August 1,	William Hutchinson, Land and Tax Agent, succeeding Nathaniel E. Slaymaker, transferred.
Sept. 1,	J. Walter Dohany, Attorney, succeeding George L. Nadolleck, retired.
October 1,	Edgar Freeman, Assistant Treasurer.
October 31,	Joseph F. Farrell, General Tie Agent, succeeding William F. Goltra, resigned.

Appreciative acknowledgment is made of the faithful, efficient performance of duty by employees in every department of the service during the year.

WILLIAM C. BROWN,
President.

The Michigan Central Railroad Company

DETAIL OF OPERATING REVENUES

TRANSPORTATION

	1910	1909	Increase	Decrease
Freight	\$19,282,288 45	\$18,267,530 44	\$1,014,758 01	
Passenger	7,404,475 66	6,655,698 85	748,776 81	
Excess baggage	99,202 53	96,639 53	2,563 00	
Mail	431,625 32	409,212 23	22,413 09	
Express	1,519,949 67	1,244,745 14	275,204 53	
Milk (on passenger trains)	29,161 35	26,045 10	3,116 25	
Other passenger train	40,278 09	24,683 29	15,594 80	
Switching	513,060 30	445,835 61	67,224 69	
Special service train	10,963 50	7,566 73	3,396 77	
Miscellaneous transportation	41,188 52	44,720 08		\$3,531 56
Totals	\$29,372,193 39	\$27,222,677 00	\$2,149,516 39	

OTHER THAN TRANSPORTATION

Station and train privileges	\$16,298 29	\$10,612 67	\$5,685 62	
Parcel room receipts	9,836 40	7,382 30	2,454 10	
Storage—freight	26,353 40	25,959 15	394 25	
Storage—baggage	5,601 42	5,504 30	97 12	
Car service	157,229 40	78,381 81	78,847 59	
Telegraph and telephone service	1,217 04	1,218 58		\$1 54
Rents of buildings and other property	83,092 36	39,351 10	43,741 26	
Miscellaneous	13,510 99	15,889 27		2,378 28
Joint facilities revenue—Dr.	120 00	160 00	40 00	
Joint facilities revenue—Cr.	9,603 02	8,651 02	952 00	
Totals	\$322,622 32	\$192,790 20	\$129,832 12	
TOTAL OPERATING REVENUES	\$29,694,815 71	\$27,415,467 20	\$2,279,348 51	

EXPENSES IN DETAIL (RAIL OPERATIONS)

MAINTENANCE OF WAY AND STRUCTURES

	1910	1909	Increase	Decrease
Superintendence	\$189,857 03	\$165,999 85	\$23,857 18	
Ballast	133,798 26	83,924 20	49,874 06	
Ties	677,718 83	509,578 31	168,140 52	
Rails	122,301 74	273,325 89		\$151,024 15
Other track material	261,739 46	297,649 50		35,910 04
Roadway and track	1,555,047 03	1,303,795 55	251,251 48	
Removal of snow, sand and ice	95,718 58	51,518 17	44,200 41	
Tunnels	672 98		672 98	
Bridges, trestles and culverts	273,583 34	155,718 79	117,864 55	
Over and under grade crossings	3,214 13	6,421 43		3,207 30
Grade crossings, fences, cattle guards, and signs	121,135 68	85,136 46	35,999 22	
Snow and sand fences and snowsheds	3,095 50	1,392 76	1,702 74	
Signals and interlocking plants	161,609 07	150,922 57	10,686 50	
Telegraph and telephone lines	18,028 81	12,931 72	5,097 09	
Electric power transmission	307 26		307 26	
Buildings, fixtures, and grounds	284,177 56	221,869 46	62,308 10	
Docks and wharves	7,689 11	7,176 74	512 37	
Roadway tools and supplies	86,474 07	58,786 90	27,687 17	
Injuries to persons	1,371 92	1,127 76	244 16	
Stationery and printing	6,788 02	5,878 19	909 83	
Other expenses	349 32*	409 22		758 54
Maintaining joint tracks, yards, } and other facilities—Dr. }	187,483 72	192,751 96		5,268 24
Maintaining joint tracks, yards, } and other facilities—Cr. }	156,202 00	128,150 19		28,051 81
Totals	\$4,035,260 78	\$3,458,165 24	\$577,095 54	

*Credit

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* EXPENSES IN DETAIL (RAIL OPERATIONS) continued

MAINTENANCE OF EQUIPMENT

	1910	1909	Increase	Decrease
Superintendence	\$133,802 03	\$120,942 38	\$12,859 65	
Steam locomotives—repairs	1,410,157 76	1,253,694 79	156,462 97	
Steam locomotives—renewals	132,988 00	63,498 48	69,489 52	
Electric locomotives—repairs	1,023 60		1,023 60	
Passenger-train cars—repairs	254,876 07	236,698 70	18,177 37	
Passenger-train cars—renewals	12,500 00	1,692 50	10,807 50	
Freight-train cars—repairs	1,909,333 87	1,851,621 70	57,712 17	
Freight-train cars—renewals	109,404 88	96,650 26	12,754 62	
Floating equipment—repairs	8,377 91	9,697 60		\$1,319 69
Work equipment—repairs	43,326 25	30,073 99	13,252 26	
Work equipment—renewals	21,506 00	11,361 00	10,145 00	
Shop machinery and tools	73,472 39	65,468 07	8,004 32	
Injuries to persons	1,492 49	2,429 42		936 93
Stationery and printing	8,282 15	6,290 71	1,991 44	
Other expenses	322 18	55 20	266 98	
Maintaining joint equipment at terminals—Dr.	3,500 02	6,407 01		2,906 99
Maintaining joint equipment at terminals—Cr.				
Totals	\$4,124,365 60	\$3,756,581 81	\$367,783 79	

TRAFFIC EXPENSES

Superintendence	\$205,831 11	\$163,404 92	\$42,426 19	
Outside agencies	149,831 62	132,806 22	17,025 40	
Advertising	73,585 97	77,359 15		\$3,773 18
Traffic associations	24,561 62	21,044 28	3,517 34	
Fast freight lines	317,608 29	311,040 96	6,567 33	
Industrial and immigration bureaus	5,505 95	5,577 35		71 40
Stationery and printing	105,170 16	66,697 79	38,472 37	
Other expenses	56 36	262 45*	318 81	
Totals	\$882,151 08	\$777,668 22	\$104,482 86	

*Credit

TRANSPORTATION EXPENSES

Superintendence	\$271,118 93	\$228,284 17	\$42,834 76	
Dispatching trains	94,338 03	74,455 34	19,882 69	
Station employees	1,985,884 32	1,738,641 62	247,242 70	
Weighing and car-service associations	12,275 44	52,487 40		\$40,211 96
Station supplies and expenses	147,458 36	133,890 22	13,568 14	
Yardmasters and their clerks	237,611 52	202,147 25	35,464 27	
Yard conductors and brakemen	859,309 92	640,952 69	218,357 23	
Yard switch and signal tenders	65,002 84	47,329 79	17,673 05	
Yard supplies and expenses	23,761 85	20,478 31	3,283 54	
Yard enginemen	558,700 39	448,903 21	109,797 18	
Enginehouse expenses—yard	85,562 48	67,113 66	18,448 82	
Fuel for yard locomotives	549,543 68	440,436 31	109,107 37	
Water for yard locomotives	23,923 95	19,494 33	4,429 62	
Lubricants for yard locomotives	10,286 00	7,897 70	2,388 30	
Other supplies for yard locomotives	8,611 99	5,768 11	2,843 88	
Operating joint yards and terminals—Dr.	313,766 80	241,044 42	72,722 38	
Operating joint yards and terminals—Cr.	70,021 12	60,331 45		9,689 67
Motormen	6,440 75		6,440 75	
Road enginemen	1,253,560 34	1,050,844 44	202,715 90	
Enginehouse expenses—road	324,844 50	278,515 78	46,328 72	
Fuel for road locomotives	2,263,725 81	1,960,699 79	303,026 02	
Water for road locomotives	103,052 74	84,349 76	18,702 98	
Lubricants for road locomotives	46,597 96	42,277 25	4,320 71	
Other supplies for road locomotives	28,793 65	23,063 68	5,729 97	
Operating power plants	2,820 14		2,820 14	
Purchased power	8,082 68		8,082 68	
Carried forward	\$9,215,053 95	\$7,748,743 78	\$1,466,310 17	

The Michigan Central Railroad Company

EXPENSES IN DETAIL (RAIL OPERATIONS) concluded

TRANSPORTATION EXPENSES (continued)

	1910	1909	Increase	Decrease
<i>Brought forward</i>	\$9,215,053 95	\$7,748,743 78	\$1,466,310 17	
Road trainmen	1,397,774 27	1,104,486 66	293,287 61	
Train supplies and expenses	329,287 52	214,482 41	114,805 11	
Interlockers, block and other signals—operation	121,507 37	116,758 89	4,748 48	
Crossing flagmen and gatemen	94,819 22	94,129 36	689 86	
Drawbridge operation	13,088 00	12,344 25	743 75	
Clearing wrecks	34,480 26	26,297 83	8,182 43	
Telegraph and telephone—operation	84,816 21	73,681 96	11,134 25	
Operating floating equipment	115,120 79	125,990 19		\$10,869 40
Stationery and printing	133,107 45	114,408 32	18,699 13	
Other expenses	12,839 55	6,343 61	6,495 94	
Loss and damage—freight	295,767 78	260,643 76	35,124 02	
Loss and damage—baggage	2,955 60	2,206 08	749 52	
Damage to property	34,415 89	21,266 58	13,149 31	
Damage to stock on right of way	5,254 52	2,023 81	3,230 71	
Injuries to persons	119,070 17	115,509 93	3,560 24	
Operating joint tracks and facilities—Dr.	98,851 50	100,772 12		1,920 62
Operating joint tracks and facilities—Cr.	84,620 90	89,399 59	4,778 69	
Totals	\$12,023,589 15	\$10,050,689 95	\$1,972,899 20	

GENERAL EXPENSES

Salaries and expenses of general officers	\$109,412 54	\$93,745 78	\$15,666 76	
Salaries and expenses of clerks and attendants	217,373 37	180,963 07	36,410 30	
General office supplies and expenses	27,229 73	13,389 77	13,839 96	
Law expenses	113,921 59	87,085 04	26,836 55	
Insurance	8,354 03	12,454 35		\$4,100 32
Pensions	38,291 41	8,895 37	29,396 04	
Stationery and printing	31,225 94	24,088 17	7,137 77	
Other expenses	16,706 36	34,190 58		17,484 22
General administration joint tracks, yards and terminals—Dr.	1,025 11	1,610 89		585 78
General administration joint tracks, yards and terminals—Cr.	43			43
Totals	\$563,539 65	\$456,423 02	\$107,116 63	

PERCENTAGE OF EXPENSES TO REVENUE BY GROUPS

	1910	1909
Maintenance of way and structures	13.59	12.61
Maintenance of equipment	13.89	13.70
Traffic expenses	2.97	2.84
Transportation expenses	40.49	36.66
General expenses	1.90	1.67
Totals	72.84	67.48

*Annual Report**OUTSIDE OPERATIONS*

	1910	1909	Increase	Decrease
DINING CAR SERVICE				
Revenues	\$348,108 79	\$309,306 19	\$38,802 60	
Expenses	401,126 35	351,098 75	50,027 60	
Net Deficit	\$53,017 56	\$41,792 56	\$11,225 00	
GRAIN ELEVATORS				
Revenues	\$7,985 59	\$10,912 25		\$2,926 66
Expenses	21,728 00	17,149 33	\$4,578 67	
Net Deficit	\$13,742 41	\$6,237 08	\$7,505 33	
STOCK YARDS				
Revenues	\$88,342 24	\$78,790 07	\$9,552 17	
Expenses	82,292 31	84,386 29		\$2,093 98
Net Revenue	\$6,049 93		\$11,646 15	
Net Deficit		\$5,596 22		
RESTAURANTS				
Revenues	\$99,200 07	\$90,918 53	\$8,281 54	
Expenses	94,805 16	88,444 73	6,360 43	
Net Revenue	\$4,394 91	\$2,473 80	\$1,921 11	
TOTAL DEFICIT	\$56,315 13	\$51,152 06	\$5,163 07	

ACCRUED TAXES

MICHIGAN CENTRAL SYSTEM (INCLUDING LEASED LINES)

State or Territory	On the value of real and personal property	On stocks, bonds, loans, etc.	On gross or net earnings, revenue or dividends	Internal Revenue U. S. Gov't.	Total
Michigan	\$1,119,464 56				\$1,119,464 56
Indiana	87,991 51				87,991 51
Illinois	54,057 68				54,057 68
Ohio	10,988 24		\$1,195 28		12,183 52
Canada	41,647 61				41,647 61
New York	5,907 11	\$262 50			6,169 61
U. S. Government				\$35,505 43	35,505 43
Totals	\$1,320,056 71	\$262 50	\$1,195 28	\$35,505 43	\$1,357,019 92

*The Michigan Central Railroad Company***DEDUCTIONS FROM INCOME***Interest on funded debt*

THIS COMPANY'S BONDS

Interest at 3½ % per annum on Michigan Central First mortgage bonds	\$490,000 00	
Interest at 4 % per annum on Grand River Valley First mortgage bonds	51,333 33	
Interest at 5 % per annum on Detroit & Bay City First mortgage bonds	200,000 00	
Interest at 5 % per annum on Kalamazoo & South Haven First mortgage bonds	35,000 00	
Interest at 4 % per annum on Michigan Air Line First mortgage bonds	104,000 00	
Interest at 3½ % per annum on Jackson, Lansing & Saginaw First mortgage bonds	60,375 00	
Interest at 4 % per annum on Joliet & Northern Indiana First mortgage bonds	60,000 00	
Interest at 4 % per annum on Gold Debentures	305,360 00	
Total		<u>\$1,306,068 33</u>

LEASED LINE BONDS

Interest at 3 % per annum on Bay City & Battle Creek First mortgage bonds	\$7,500 00	
Interest at 3 % per annum on Battle Creek & Sturgis First mortgage bonds	12,630 00	
Interest at 6 % per annum on Canada Southern First mortgage bonds	840,000 00	
Interest at 5 % per annum on Canada Southern Second mortgage bonds	300,000 00	
Interest at 4 % per annum on Leamington and St. Clair mortgage bonds	5,200 00	
Interest at 4 % per annum on Toledo, Canada Southern and Detroit First mortgage bonds	64,000 00	
Total		<u>1,229,330 00</u>
Total interest on funded debt		<u>\$2,535,398 33</u>

Rentals of leased lines

Jackson, Lansing & Saginaw rental, 3½ % on \$2,000,000 capital stock	\$70,000 00	
Jackson, Lansing & Saginaw expenses, fixed amount	750 00	
Grand River Valley rental, 5 % on \$491,200 capital stock	24,560 00	
Joliet & Northern Indiana rental, 5 % on \$300,000 capital stock	15,000 00	
Canada Southern rental, 3 % on \$15,000,000 capital stock	450,000 00	
St. Joseph, South Bend and Southern rental, fixed amount	20,000 00	
Benton Harbor Extension, etc., rental, fixed amount	5,000 00	
Total		<u>585,310 00</u>

Other deductions

Hire of equipment—car mileage and per diem balances	\$1,073,983 18	
Interest on equipment trust certificates	261,523 99	
Joint facilities rents	620,568 83	
Miscellaneous rents	6,069 24	
Other interest	746,367 95	
Other deductions	199,701 96	
Total		<u>2,908,215 15</u>
Total deductions		<u>\$6,028,923 48</u>

DIVIDENDS

Payable July 29, 1910	3 % on 187,380 shares of capital stock	\$562,140 00
Payable January 28, 1911,	3 % on 187,380 shares of capital stock	562,140 00
Total	<u>6 %</u>	<u>\$1,124,280 00</u>

*Annual Report**DETAIL OF EXPENDITURES FOR ADDITIONS AND BETTERMENTS*

MICHIGAN CENTRAL RAILROAD—MAIN LINE

Yards and sidings

Miscellaneous industrial and yard tracks		\$63,730 76
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Station buildings and grounds

Engine house, Jackson	\$126,586 83	
Engine house, Kalamazoo	25,250 86	
Train Master's office, Junction Yards	2,475 35	
Freight house, Kalamazoo	17,001 86	
Transfer house lighting, Junction Yards	2,049 06	
Fire protection, stock yards, West Detroit	1,755 97	
Ice house, Decatur	4,702 43	
Car shop lighting, West Detroit	1,217 44	
Transfer house lighting, Kensington	1,517 40	
Miscellaneous structures	11,400 83	193,958 03

Roadway

Stone ballast	\$44,060 31	
Grade separation, main line, Detroit	296,760 89	
Improvement to signal apparatus	5,986 12	
Land	2,804 17	
Telegraph and telephone	987 19	
Improved drainage	1,528 70	
Miscellaneous roadway	2,975 22	355,102 60
		\$612,791 39

Less amount transferred to leased and proprietary lines, to adjust erroneous charges in prior years		123,102 97
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	\$489,688 42
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New equipment

Trust equipment of 1907	\$4,340,424 14
Less equity charged to property accounts in 1909	548,924 72
	\$3,791,499 42

Trust equipment of 1910, less value of equipment to be delivered and paid for in 1911	4,970,491 30
	\$8,761,990 72

Passenger train cars

3 coaches, 2 buffet, 2 mail and baggage, 10 steel baggage, 2 smoking and baggage, 2 mail, baggage and express, 2 boarding	198,719 27
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Miscellaneous

4 Priest snow flangers, tail lights, signals and markers for locomotives	1,304 81
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Freight train cars

Balance installments account 500 freight cars delivered in 1906 and 1907	\$168,888 80
Balance installments account 2,300 freight cars delivered in 1905	1,018,752 00
	\$1,187,640 80

Less original cost or record value of equipment retired during 1910, and adjustment 1909 overcharge	415,829 24
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Total

771,811 56	9,733,826 36
	\$10,223,514 78

*The Michigan Central Railroad Company**DETAIL OF EXPENDITURES FOR ADDITIONS AND BETTERMENTS (continued)*

LEASED AND PROPRIETARY LINES

*Canada Southern Railway**Yards and Sidings*

New yard and facilities, Windsor,	\$299,418 76	
Less unexpended balance of appropriation for second track work	4,910 67	
	<u>\$294,508 09</u>	
Miscellaneous industrial and passing tracks	47,330 75	\$341,838 84

Stations and other structures

Ross St. and First Ave. subways, St. Thomas	\$1,278 24	
Engine house, Victoria	12,826 31	
Drawbridge, Montrose	104,209 11	
Drawbridge, Welland	24,408 47	
Roundhouse, St. Thomas	18,953 94	
Protection of highways	4,648 99	
Platform, Niagara-on-the-Lake	401 88	166,726 94

Roadway

Improvement to signal apparatus	\$2,640 70	
Improved drainage	2,039 06	
New fence	765 41	
Miscellaneous roadway	1,473 93	
Stone ballast	15,961 45	
Increased weight of rail	65,476 62	88,357 17

New machinery

Roundhouse, Windsor	2,421.20	\$599,344 15
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*Detroit and Bay City Railroad**Yards and Sidings*

Additions to North Yards, Detroit	\$26,946 46	
Berlin St. yard, Detroit	12,497 16	
Miscellaneous sidings	27,874 80	\$67,318 42

Stations and other structures

Passenger station, Mungers	\$1,476 27	
Automobile platform, Beaufait station, Detroit	1,062 72	
Water tank, Belt Line, Detroit	2,248 80	
Water tank, Bay City Junction	1,999 54	
Car repair shops, North Yards, Detroit	1,320 87	8,108 20

Roadway

Grade separation, Bay City Division	\$107,765 46	
Interlocker, Bay City Junction	6,130 54	
Increased weight of rail	7,722 41	
Land	2,951 56	124,569 97

Forward\$799,340 74

*Annual Report**DETAIL OF EXPENDITURES FOR ADDITIONS AND BETTERMENTS (continued)*

LEASED AND PROPRIETARY LINES (continued)

<i>Brought forward</i>		\$799,340 74
<i>Bay City & Battle Creek Railway</i>		
New fence	\$221 40	
Miscellaneous sidetracks	1,217 74	1,439 14
<i>Detroit, Toledo and Milwaukee Railroad</i>		
Land		128 60
<i>Grand River Valley Railroad</i>		
Interlocker, Second Avenue, Grand Rapids	\$3,038 56	
Telephone line, Jackson to Grand Rapids	1,489 60	
Miscellaneous sidings and structures	1,030 83	5,558 99
<i>Joliet and Northern Indiana Railroad</i>		
Grade separation, Joliet	\$37,658 86	
Miscellaneous sidings and structures	4,779 94	42,438 80
<i>Kalamazoo & South Haven Railroad</i>		
Passenger house, South Haven	\$4,463 08	
Miscellaneous sidetracks	284 20	4,747 28
<i>Michigan Air Line Railroad</i>		
Telephone line, Jackson to Niles	\$1,952 82	
Turntable, South Bend	691 75	
Miscellaneous sidetracks	810 06	3,454 63
<i>St. Joseph, South Bend and Southern Railroad</i>		
Track scales, St. Joseph	\$1,603 40	
Passenger house, Glendora	1,749 57	
Passenger house, Baroda	1,677 95	
Miscellaneous sidings and structures	543 64	5,574 56
<i>Toledo, Canada Southern and Detroit Railway</i>		
Grade separation, Toledo	\$5,027 71	
Grade separation, Detroit	230 47	
Coaling station, River Rouge	1,517 14	
New yard, River Rouge	5,437 53	
Truss bridge, Swan Creek	8,546 46	
New yard, North Toledo	4,715 25	
Miscellaneous tracks and structures	20,189 77	45,664 33
Amount transferred from main line to adjust erroneous charges in prior years		123,102 97
<i>Forward</i>		\$1,031,450 04

*The Michigan Central Railroad Company**DETAIL OF EXPENDITURES FOR ADDITIONS AND BETTERMENTS (concluded)*LEASED AND PROPRIETARY LINES *(continued)*

<i>Brought forward</i>			\$1,031,450 04
Deduct			
<i>Jackson, Lansing and Saginaw Railroad</i>			
Excess of tracks abandoned account of sundry sidings and logging branches taken up		\$41,917 89	
Less			
Ice house, Grayling	\$1,622 42		
Cinder pit, Grayling	1,192 05		
Passenger house, St. Charles	4,101 04		
Land	2,647 22		
Miscellaneous	2,138 91	11,701 64	30,216 25
Total			<u>\$1,001,233 79</u>
<i>Summary</i>			
Michigan Central Railroad—Main Line			\$10,223,514 78
Leased and Proprietary Lines			<u>1,001,233 79</u>
Total			<u>\$11,224,748 57</u>

*Annual Report**CONDENSED GENERAL BALANCE SHEET, DECEMBER 31, 1910**Assets**Property investment**Road and equipment*

Investment to June 30, 1907			
Michigan Central Railroad		\$35,213,257 09	
Leased and proprietary lines		14,216,143 27	\$49,429,400 36
Investment since June 30, 1907			
Michigan Central Railroad—road	\$1,180,114 01		
Michigan Central Railroad—equipment	2,480,216 53	\$3,660,330 54	
Leased and proprietary lines—road		2,406,381 98	6,066,712 52
Trust equipment			9,310,915 44
Total cost of road and equipment			\$64,807,028 32

Securities

Securities of proprietary, affiliated and controlled companies			
Pledged, Canada Southern Railway Company—stock		\$5,444,000 00	
Unpledged		1,595,191 50	7,039,191 50

Other investments

Advances to proprietary, affiliated and controlled companies for construction, equipment and betterments			
Detroit Terminal Railroad Company		\$91,938 57	
Miscellaneous investments			
Physical property		1,879,286 65	
Securities—unpledged		1,599,530 00	3,570,755 22
Total property owned as investment			\$75,416,975 04

Working assets

Cash		\$3,528,715 60	
Marketable securities		17,272 59	
Net traffic, car mileage and per diem balance		799,318 03	
Net balance due from agents and conductors		1,546,953 86	
Miscellaneous accounts receivable		1,734,078 32	
Materials and supplies		2,546,728 06	10,173,066 46

Accrued income not due

Unmatured interest, dividends and rents receivable			1,024,493 81
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*Deferred debit items**Advances*

Chicago, Indiana and Southern Railroad	\$270,000 00		
Detroit River Tunnel Co.	7,892,824 64		
Indiana Harbor Belt Railroad	1,118,846 61		
Toledo Terminal Railroad	59,400 00		
Toronto, Hamilton and Buffalo Railway	41,644 64	\$9,382,715 89	

Working funds

Other deferred debit items		76,655 83	
Trust equipment undelivered	\$597,789 00		
Interest paid in advance	380,608 97		
Detroit terminal station and yard	1,076,508 39		
Miscellaneous	31,470 57	2,086,376 93	11,545,748 65
			\$98,160,283 96

*The Michigan Central Railroad Company**CONDENSED GENERAL BALANCE SHEET, DECEMBER 31, 1910**Liabilities**Stock*

Capital stock—common		\$18,738,000 00
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*Mortgaged, bonded and secured debt**Funded debt**Mortgage Bonds*

Michigan Central first mortgage	\$14,000,000 00
Grand River Valley first mortgage	1,500,000 00
Detroit & Bay City first mortgage	4,000,000 00
Kalamazoo & South Haven first mortgage	700,000 00
Michigan Air Line first mortgage	2,600,000 00
Jackson, Lansing and Saginaw first mortgage	1,725,000 00
Joliet & Northern Indiana first mortgage	1,500,000 00

Plain bonds, debentures and notes

Gold debentures	7,634,000 00	
Equipment trust certificates, 1907	3,125,105 38	
Equipment trust certificates, 1910	5,086,473 30	41,870,578 68

Total capitalization

\$60,608,578 68

Working liabilities

Loans and bills payable	\$18,115,384 61	
Audited vouchers and wages unpaid	4,459,501 16	
Miscellaneous accounts payable	75,170 06	
Matured dividends, interest and rents unpaid	60,391 00	
Matured mortgage, bonded and secured debt unpaid	12,000 00	
Other working liabilities	679,559 74	23,402,006 57

Accrued liabilities not due

Unmatured interest, dividends and rents payable		1,026,946 03
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*Deferred credit items**Operating reserves*

Reserves for replacement of property	\$289,446 79	
Other deferred credit items	112,507 66	401,954 45

Appropriated surplus

Additions to property through income since June 30, 1907		3,668,846 12
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Free Surplus

Profit and loss—balance		9,051,952 11
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\$98,160,283 96

Annual Report

NEW YORK CENTRAL LINES EQUIPMENT TRUSTS

The following statements show the character of the equipment acquired under the terms of the New York Central Lines Equipment Trust Agreements and Leases of 1907 and 1910, together with the total amount of certificates issued and the amounts now outstanding.

EQUIPMENT TRUST OF 1907

ROAD	Locomotives	Passenger Cars	Freight Cars	Company Service Cars	Certificates Issued for 90 per cent of value bearing interest at 5%	Certificates Redeemed	Balance Certificates Outstanding Dec. 31, 1910
N. Y. C. & H. R. R. R.	447	88	4,000		\$11,904,901 78	\$2,380,980 36	\$9,523,921 42
L. S. & M. S. RY	125	25	4,000	200	6,708,392 73	1,341,678 54	5,366,714 19
C. I. & S. R. R.	2	8	3,400	150	3,779,976 60	755,995 32	3,023,981 28
M. C. R. R.	5	15	3,500	200	3,906,381 73	781,276 35	3,125,105 38
C. C. C. & ST. L. RY	112	17	1,525	100	3,700,347 16	740,069 43	2,960,277 73
TOTALS	691	153	16,425	650	\$30,000,000 00	\$6,000,000 00	\$24,000,000 00

EQUIPMENT TRUST OF 1910

ROAD	Locomotives	Passenger Cars	Freight Cars	Company Service Cars	Certificates Issued and Outstanding for 90% of value bearing interest at 4½%
N. Y. C. & H. R. R. R.	127	30	4,000		\$6,509,466 30
L. S. & M. S. RY	100	60	12,500	250	13,771,065 60
C. I. & S. R. R.	31	2	1,000		1,638,607 50
M. C. R. R.	87	34	3,300		5,086,473 30
C. C. C. & ST. L. RY.	80	6	1,600		2,994,387 30
TOTALS	425	132	22,400	250	\$30,000,000 00

*The Michigan Central Railroad Company**STOCK AND BONDS OWNED OR ACQUIRED UNDER LEASE**Stock*

	Shares	Par Value
Battle Creek & Sturgis Ry Co.	4175	\$417,500 00
Bay City & Battle Creek Ry Co.	3000	300,000 00
Buchanan & St. Joseph River R R Co.	200	20,000 00
Canada Southern Railway Co.	78100	7,810,000 00
Chicago, Indiana & Southern R R Co.	30000	3,000,000 00
Chicago, Kalamazoo & Saginaw Ry Co.	2700	270,000 00
Clifton Hotel Co Ltd	150	15,000 00
Detroit & Bay City R R Co.	6000	600,000 00
Detroit & Charlevoix R R Co.	5203	520,300 00
Detroit Belt Line R R	1000	100,000 00
Detroit, Delray & Dearborn R R Co.	35	3,500 00
Detroit Manufacturers' R R	1280	128,000 00
Detroit River Tunnel Co.	30000	3,000,000 00
Detroit Terminal R R Co.	932	93,200 00
Detroit, Toledo & Milwaukee R R Co.	7500	750,000 00
Grand River Valley R R Co.	1569	156,900 00
Indiana Harbor Belt R R Co.	12250	1,225,000 00
Jackson, Lansing & Saginaw R R Co.	6743	674,300 00
Joliet & Northern Indiana R R Co.	3000	300,000 00
Kalamazoo & South Haven R R Co.	2575	257,500 00
Lansing Transit Railway Co.	10	1,000 00
Mackinac Transportation Co.	866 $\frac{2}{3}$	21,666 67
Michigan Air Line R R Co.	6685 $\frac{1}{2}$	334,262 50
Toledo Terminal Railroad Co.	4800	480,000 00
Toronto, Hamilton & Buffalo Ry Co.	4464	446,400 00
		<hr/> \$20,924,529 17

Bonds

Battle Creek & Sturgis Ry Co.	\$24,000 00
Bay City & Battle Creek Ry Co.	48,000 00
Chicago, Kalamazoo & Saginaw Ry Co.	761,000 00
Toronto, Hamilton & Buffalo Ry Co.	357,000 00
	<hr/> \$1,190,000 00

The securities owned by this company are carried on its books at a total value of \$8,655,994.09.

*CAPITALIZATION**Capital stock*

Number of shares issued and outstanding	}	187,380	Total par value issued and out-standing	}	\$18,738,000 00	
Number of shares authorized		187,380			Total par value authorized	\$18,738,000 00
Par value per share		\$100 00				
Amount of capital stock per mile of road owned (270.07 miles) \$69,382.00						

*Annual Report**CAPITALIZATION (concluded)**Funded debt*

Class of bond	Date of issue	Date of maturity	Amount of authorized issue	Amount issued and now outstanding	Rate of interest	Payable on the first days of
Michigan Central First mortgage	1902	May 1, 1952	\$18,000,000	\$14,000,000 00	3½%	May and November
Gold Debentures	1909	April 1, 1929	25,000,000	7,634,000 00	4 %	April and October
Grand River Valley First mortgage	1910	September 1, 1959	4,500,000	1,500,000 00	4 %	March and September
Detroit & Bay City First mortgage	1881	March 1, 1931	4,000,000	4,000,000 00	5 %	March, June, September and December
Kalamazoo & South Haven First mortgage	1889	November 1, 1939	700,000	700,000 00	5 %	May and November
Michigan Air Line First mortgage	1890	January 1, 1940	2,600,000	2,600,000 00	4 %	January and July
Jackson, Lansing & Saginaw First mortgage	1901	September 1, 1951	2,000,000*	1,725,000 00	3½%	March and September
Joliet and Northern Indiana First mortgage	1907	July 10, 1957	3,000,000	1,500,000 00	4 %	January and July 10th
Equipment Trust Certificates, 1907	1907	November 1, 1922	3,906,382	3,125,105 38	5 %	May and November
Equipment Trust Certificates, 1910	1910	January 1, 1925	5,086,473	5,086,473 30	4½%	January and July
Total amount of funded debt				\$41,870,578 68		

*\$275,000 purchased and retired by the Land Grant Trustees

Amount of funded debt per mile of road

Road	Funded debt	Miles	Amount per mile of road
Michigan Central Railroad	\$29,845,578 68	270.07	\$110,511
Grand River Valley Railroad	1,500,000 00	83.79	17,902
Detroit and Bay City Railroad	4,000,000 00	171.34	23,345
Kalamazoo and South Haven Railroad	700,000 00	39.50	17,722
Michigan Air Line Railroad	2,600,000 00	115.16	22,577
Jackson, Lansing and Saginaw Railroad	1,725,000 00	355.63	4,851
Joliet and Northern Indiana Railroad	1,500,000 00	45.00	6,667
	\$41,870,578 68	1,080.49	\$38,751

<i>Treasurer, Grand Central Terminal, New York</i>	Transfers stock and pays dividends on stock
	Transfers and pays interest on registered bonds
	Pays coupons from gold debentures of 1909
	Pays coupons from Michigan Central 4% bonds due 1959, secured by mortgage on the Grand River Valley Railroad
	Pays coupons from Michigan Central first mortgage bonds and bonds due 1951, secured by mortgage on the Jackson, Lansing & Saginaw Railroad
<i>Guaranty Trust Company New York</i>	Pays coupons from Michigan Central 4% bonds due 1957, secured by first mortgage on Joliet and Northern Indiana Railroad
	Pays interest on equipment trust certificates
<i>Union Trust Company of New York</i>	Pays coupons from all other issue of bonds

*The Michigan Central Railroad Company**TABLE OF TRACKS*

Location	Miles	Second track	Third track	Fourth track	Sidings	Total
MAIN LINE						
Kensington to Detroit	270.07	270.07	5.71	5.71	366.97	918.53
PROPRIETARY LINES						
Battle Creek & Sturgis Railway	33.80				3.69	37.49
Bay City & Battle Creek Railway	18.00				10.33	28.33
Detroit & Bay City Railroad	109.00	7.60			59.09	175.69
Detroit Belt Line Railroad	4.39					4.39
Detroit, Delray & Dearborn Railroad	5.96				1.61	7.57
Detroit, Toledo & Milwaukee Railroad	66.56				10.51	77.07
Joliet & Northern Indiana Railroad	45.00				28.33	73.33
BRANCHES						
On Detroit & Bay City Railroad	62.34				61.27	123.61
<i>Total proprietary lines</i>	345.05	7.60			174.83	527.48
LEASED LINES						
Benton Harbor Extension	1.63				.74	2.37
Canada Southern Railway (in Canada)	226.18	226.18			165.54	617.90
Canada Southern Bridge Company	3.66				1.65	5.31
Detroit River Tunnel	2.42	2.42				4.84
Detroit Manufacturers' Railroad	1.29				2.03	3.32
Grand River Valley Railroad	83.79				20.61	104.40
Jackson, Lansing & Saginaw Railroad	295.10	3.44			296.92	595.46
Kalamazoo & South Haven Railroad	39.50				6.95	46.45
Michigan Air Line Railroad	115.16				45.95	161.11
St. Clair & Western Railroad	14.68				1.40	16.08
St. Joseph, South Bend & Southern Railroad	39.44				7.48	46.92
Toledo, Canada Southern & Detroit Railway	55.87	3.40			101.71	160.98
<i>Total leased lines</i>	878.72	235.44			650.98	1765.14
BRANCHES						
Canada Southern Railway (in Canada)	153.86	16.80			45.69	216.35
On Jackson, Lansing & Saginaw Railroad	60.53				108.44	168.97
Toledo, Canada Southern & Detroit Railway }	3.05				9.13	12.18
<i>Total branches</i>	217.44	16.80			163.26	397.50
<i>Total leased lines and branches</i>	1,096.16	252.24			814.24	2,162.64
<i>Total main line, proprietary and leased lines</i> }	1,711.28	529.91	5.71	5.71	1,356.04	3,608.65
<i>Carried forward</i>	1,711.28	529.91	5.71	5.71	1,356.04	3,608.65

*Annual Report**TABLE OF TRACKS (Continued)*

Location	Miles	Second track	Third track	Fourth track	Sidings	Total
<i>Brought forward</i>	1,711.28	529.91	5.71	5.71	1,356.04	3,608.65
LINES OPERATED UNDER TRACKAGE RIGHTS :						
Illinois Central Railroad, Kensington to Chicago	14.00	14.00				28.00
Grand Trunk Railway, Bridgeburg to Black Rock	1.27	1.02				2.29
Indiana Harbor Belt Railroad, Calumet Park to Union Stock Yards	30.02	30.02				60.04
Lake Shore & Michigan Southern Ry. Wagon Works to Toledo	4.83					4.83
Lake Shore & Michigan Southern Ry. South Bend to SS&S Junction	.72					.72
Chicago, Indiana & Southern Railroad South Bend to SS&S Junction	1.88					1.88
London & Port Stanley Railway, St. Thomas to London	15.45					15.45
New York Central & Hudson River Railroad, Suspension Bridge to Buffalo	23.84	23.84				47.68
<i>Total lines operated under trackage rights</i>	<u>92.01</u>	<u>68.88</u>				<u>160.89</u>
<i>Grand total, all lines operated</i>	<u>1,803.29</u>	<u>598.79</u>	<u>5.71</u>	<u>5.71</u>	<u>1,356.04</u>	<u>3,769.54</u>

Recapitulation according to States

	Main line	Proprietary lines	Leased lines	Otherwise operated	Total
Michigan	221.00	300.05	682.79		1,203.84
Illinois	6.07	29.00		44.02	79.09
Indiana	43.00	16.00	20.23	2.60	81.83
Ohio			11.65	4.83	16.48
New York				24.09	24.09
Canada			381.49	16.47	397.96
	<u>270.07</u>	<u>345.05</u>	<u>1,096.16</u>	<u>92.01</u>	<u>1,803.29</u>
MILES OPERATED FOR					
Passenger and freight service	270.07	322.59	1,066.97	34.28	1,693.91
Passenger service only				26.44	26.44
Freight " "		22.46	29.19	31.29	82.94
	<u>270.07</u>	<u>345.05</u>	<u>1,096.16</u>	<u>92.01</u>	<u>1,803.29</u>

*The Michigan Central Railroad Company***MILEAGE STATISTICS****LOCOMOTIVE MILEAGE**

	1910	1909	Increase	Decrease
REVENUE SERVICE				
Freight locomotive-miles	8,362,722	8,165,972	196,750	
Passenger locomotive-miles	6,595,574	6,043,026	552,548	
Mixed locomotive-miles	457,292	446,924	10,368	
Special locomotive-miles	11,422	17,849		6,427
Switching locomotive-miles	5,972,637	5,230,401	742,236	
Total revenue locomotive mileage	21,399,647	19,904,172	1,495,475	
Non-revenue locomotive mileage	1,075,078	789,082	285,996	
Total locomotive mileage	22,474,725	20,693,254	1,781,471	

TRAIN MILEAGE

REVENUE SERVICE				
Freight train-miles	6,853,846	6,758,818	95,028	
Passenger train-miles	6,255,186	5,820,841	434,345	
Mixed train-miles	465,912	434,363	31,549	
Special train-miles	9,157	7,080	2,077	
Total revenue train mileage	13,584,101	13,021,102	562,999	
Non-revenue train mileage	495,480	397,027	98,453	
Total train mileage	14,079,581	13,418,129	661,452	

CAR MILEAGE

REVENUE SERVICE				
Freight car-miles				
Loaded	193,379,154	182,719,556	10,659,598	
Empty	67,911,572	69,136,164		1,224,592
Caboose	7,046,633	6,936,683	109,950	
Total freight car-miles	268,337,359	258,792,403	9,544,956	
Passenger car-miles				
Passenger	14,513,075	13,598,903	914,172	
Sleeping, parlor and observation	11,032,211	9,922,497	1,109,714	
Other passenger-train cars	18,085,926	16,440,803	1,645,123	
Total passenger car-miles	43,631,212	39,962,203	3,669,009	
Special car-miles				
Freight—loaded	86,210	61,824	24,386	
Caboose	6,341	4,262	2,079	
Passenger	11,964	7,713	4,251	
Sleeping, parlor and observation	102	4,270		4,168
Other passenger-train cars	14,214	9,232	4,982	
Total special car-miles	118,831	87,301	31,530	
Total revenue car mileage	312,087,402	298,841,907	13,245,495	
Non-revenue car mileage	9,229,196	8,174,167	1,055,029	
Total car mileage	321,316,598	307,016,074	14,300,524	

*Annual Report***TRAFFIC STATISTICS****DESCRIPTION OF FREIGHT MOVED**

	1910	1909	Increase	Decrease
	Tons	Tons	Tons	Tons
PRODUCTS OF AGRICULTURE				
Grain	981,600	1,039,231		57,631
Flour	211,954	239,980		28,026
Other mill products	238,941	236,949	1,992	
Hay	176,450	194,165		17,715
Tobacco	14,145	13,349	796	
Cotton	16,485	31,045		14,560
Fruit and vegetables	166,143	234,075		67,932
Other articles	432,772	400,467	32,305	
PRODUCTS OF ANIMALS				
Live stock	335,110	348,466		13,356
Dressed meats	97,151	159,837		62,686
Other packing house products	88,917	93,402		4,485
Poultry, game and fish	22,140	20,160	1,980	
Wool	14,108	14,261		153
Hides and leather	36,442	40,984		4,542
Dairy products	54,968	53,132	1,836	
Other articles	40,233	36,147	4,086	
PRODUCTS OF MINES				
Anthracite coal	1,366,602	1,197,245	169,357	
Bituminous coal	3,384,241	2,858,585	525,656	
Coke	332,514	296,845	35,669	
Ores	23,506	20,627	2,879	
Stone, sand and other like articles	1,718,570	1,487,492	231,078	
Other articles	272,617	272,514	103	
PRODUCTS OF FOREST				
Lumber	1,155,982	954,950	201,032	
Other articles	1,386,909	1,316,839	70,070	
MANUFACTURES				
Petroleum and other oils	134,675	128,800	5,875	
Sugar	86,086	97,797		11,711
Iron: pig and bloom	172,382	166,296	6,086	
Iron and steel rails	18,028	26,689		8,661
Other castings and machinery	521,959	508,152	13,807	
Bar and sheet metal	286,219	292,165		5,946
Cement, brick and lime	448,377	476,979		28,602
Agricultural implements	72,369	70,547	1,822	
Wagons, carriages, tools, etc	107,492	77,856	29,636	
Wines, liquors and beers	43,370	43,323	47	
Household goods and furniture	44,833	50,313		5,480
Other articles	2,276,663	2,117,158	159,505	
MISCELLANEOUS				
Other commodities not previously mentioned	1,595,525	1,201,732	393,793	
TOTAL	18,376,478	16,818,554	1,557,924	

The Michigan Central Railroad Company
TRAFFIC STATISTICS (concluded)

	1910	1909	Increase	Decrease
FREIGHT				
Tons of revenue freight carried	18,376,478	16,818,554	1,557,924	
Tons of company freight carried	3,113,726	2,007,587	1,106,139	
Total tons of freight carried	21,490,204	18,826,141	2,664,063	
Tons of revenue freight carried one mile	3,065,015,640	2,917,241,949	147,773,691	
Tons of company freight carried one mile	196,075,882	124,282,360	71,793,522	
Total tons of freight carried one mile	3,261,091,522	3,041,524,309	219,567,213	
Miles of road operated in freight service	1,776.85	1,746.46	30.39	
Tons of revenue freight carried one mile per mile of road	1,724,972	1,670,374	54,598	
Tons all freight carried one mile per mile of road	1,835,322	1,741,537	93,785	
Average distance haul of one ton of revenue freight	167	173		6
Average distance haul of one ton all freight	152	162		10
Average number of tons of revenue freight per train mile	419	406	13	
Average number of tons all freight per train mile	446	423	23	
Average number of tons of revenue freight per loaded car mile	15.85	15.97		.12
Average number of tons all freight per loaded car mile	16.82	16.59	.23	
Average number of freight cars per train mile	36.66	35.98	.68	
Average number of loaded cars per train mile	26.42	25.40	1.02	
Average number of empty cars per train mile	9.28	9.61		.33
Total freight revenue	\$19,282,288.45	\$18,267,530.44	\$1,014,758.01	
Average amount received for each ton of freight	\$1.05	\$1.09		\$0.04
Average revenue per ton per mile	cts. 0.629	cts. 0.626	cts. 0.003	
Average revenue per mile of road	\$10,851.95	\$10,459.75	\$392.20	
Average revenue per train mile	\$2.63	\$2.54	\$0.09	
PASSENGER				
Number of interline passengers carried	1,122,468	1,023,896	98,572	
Number of local passengers carried	4,186,484	3,931,918	254,566	
Number of commutation passengers carried	483,295	479,818	3,477	
Total number of revenue passengers carried	5,792,247	5,435,632	356,615	
Total number of revenue passengers carried one mile	373,462,351	341,347,490	32,114,861	
Miles of road operated in passenger service	1720.35	1,700.77	19.58	
Number of revenue passengers carried one mile per mile of road	217,085	200,702	16,383	
Average distance each revenue passenger carried	64.48	62.80	1.68	
Average number of passengers per train mile	55.57	54.57	1.00	
Average number of passengers per car mile	14.62	14.51	.11	
Average number of passenger cars per train mile	6.49	6.39	.10	
Total passenger revenue	\$7,404,475.66	\$6,655,698.85	\$748,776.81	
Average amount received from each passenger	\$1.28	\$1.22	\$0.06	
Average revenue per passenger per mile	cts. 1.983	cts. 1.950	cts. 0.033	
Total passenger service train revenue	\$9,524,692.62	\$8,457,024.14	\$1,067,668.48	
Average passenger service train revenue per mile of road	\$5,536.49	\$4,972.47	\$564.02	
Average passenger service train revenue per train mile	\$1.42	\$1.35	\$0.07	
TOTAL TRAFFIC				
Operating revenues	\$29,694,815.71	\$27,415,467.20	\$2,279,348.51	
Operating expenses	21,628,906.26	18,499,528.24	3,129,378.02	
Net operating revenue	\$8,065,909.45	\$8,915,938.96		\$850,029.51
Operating revenues per mile of road	\$16,467.02	\$15,697.74	\$769.28	
Operating expenses per mile of road	11,994.14	10,592.59	1,401.55	
Net operating revenue per mile of road	\$4,472.88	\$5,105.15		\$632.27
Operating revenues per train mile	\$2.19	\$2.10	\$0.09	
Operating expenses per train mile	1.60	1.42	0.18	
Net operating revenue per train mile	\$0.59	\$0.68		\$0.09

*Annual Report**EQUIPMENT STATISTICS*

	1910	1909
Average mileage per engine	35,618	35,373
Cost of repairs per engine mile	cts. 6.28	cts. 6.08
Total capacity of freight train cars, tons	869,470	733,180
Average capacity of freight train cars, tons	35.24	33.73
Seating capacity of passenger cars	17,856	17,071
Average seating capacity of passenger cars	62	62
Average mileage per passenger train car	92,702	90,112
Average cost of repairs per passenger train car mile	cts. 0.774	cts. 0.777
Capacity of floating equipment:		
4 car floats { capacity 76 freight cars or 40 passenger cars		
{ average 19 freight cars or 10 passenger cars		

MISCELLANEOUS STATISTICS

CONSUMPTION OF FUEL BY LOCOMOTIVES

Total fuel, tons (all bituminous coal)	1,384,988	1,227,421
Average pounds consumed per mile run by locomotives in freight service	177	167
Average pounds consumed per mile run by locomotives in passenger service	107	99
Average cost of fuel per ton	\$2.026	\$1.954
Average cost of fuel per locomotive mile	cts. 12.51	cts. 11.64

NEW STEEL RAIL LAID DURING THE YEAR

Tons 100-pound rail	12,246	20,975
Average price per ton	\$31.34	\$33.53

NEW TIES LAID DURING THE YEAR

Oak	478,827	352,830
Chestnut	449,152	367,489
Cedar	47,379	175,924
Miscellaneous	97,361	14,571
	<hr/> 1,072,719	<hr/> 910,814
Average price at distributing points	cents 69	cents 61

The Michigan Central Railroad Company

EQUIPMENT

Including Equipment of Leased Lines

LOCOMOTIVES

	1910	1909
For passenger service	140	154
For freight service	275	276
For switching service	144	150
For tunnel service—electric	6	
Total locomotives in service	565	580

CARS IN PASSENGER SERVICE

Passenger coaches	109	116
Smoking cars	35	30
Combination cars	31	29
Immigrant and excursion cars	72	72
Dining cars	16	16
Buffet and cafe cars	17	15
Mail, express and baggage cars	142	128
Officers' and pay cars	6	6
Other cars in passenger service	9	12
Passenger cars, joint service (M. C. proportion)	4	3
Special service cars	4	4
Totals	445	431

CARS IN FREIGHT SERVICE

Box cars	11,364	11,586
Flat cars, wooden	2,473	2,537
Flat cars, steel	93	93
Stock cars	982*	1,016*
Coal and coke cars	2,384	2,404
Refrigerator and produce cars	572	581
Caboose cars	299	313
Oil transport cars	32	32
Totals	18,199	18,562

CARS IN COMPANY'S SERVICE

Ballast cars	180	180
Derrick cars	4	4
Steam wrecking cranes	6	6
Cinder and push cars	25	25
Other road cars	591	572
Totals	806	787

MARINE DEPARTMENT

Ferryboats		
Side wheel, single deck	3	3
Screw wheel, single deck	1	1
Totals	4	4

* Includes 250 cars leased from Mather Stock Car Co.

*Annual Report**EQUIPMENT (continued)**Leased Under Equipment Trust of 1907*

LOCOMOTIVES		1910	1909
For passenger service		5	5
Total		<u>5</u>	<u>5</u>
CARS IN PASSENGER SERVICE			
Smoking cars		6	6
Combination cars		8	8
Buffet cars		1	1
Total		<u>15</u>	<u>15</u>
CARS IN FREIGHT SERVICE			
Box cars		1,486	1,491
Box cars (automobile)		491	495
Flat cars, steel		498	500
Coal cars		1,000	1,000
Caboose cars		21	
Total		<u>3,496</u>	<u>3,486</u>
CARS IN COMPANY'S SERVICE			
Ballast cars		200	200
Total		<u>200</u>	<u>200</u>

Leased Under Equipment Trust of 1910

LOCOMOTIVES		
For passenger service		18
For freight service		38
For switching service		11
Total		<u>67</u>
CARS IN PASSENGER SERVICE		
Passenger coaches		9
Dining cars		4
Total		<u>13</u>
CARS IN FREIGHT SERVICE		
Box cars (automobile steel under frame)		1,998
Coal cars		1,300
Total		<u>3,298</u>

*The Michigan Central Railroad Company**REPORT OF THE LAND COMMISSIONER OF THE JACKSON, LANSING &
SAGINAW RAILROAD COMPANY*

DETROIT, MICH., JANUARY 31, 1911

MR. W. C. BROWN

President Michigan Central Railroad

NEW YORK

DEAR SIR—I respectfully submit herewith annual statement of the business of the Land Department of this company for the year ended December 31, 1910

LANDS AND SALES

LANDS	Acres	Amount
Unsold January 1, 1910, according to patents	25,601.91	
Sold during the year	1,233.69	
Unsold at the close of the year	24,368.22	
Sales		
Lands		\$5,740 98

LAND CONTRACTS

Total amount due on contracts at the close of the year	\$8,907 68
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The sales for the last five years are as follows

	1906	1907	1908	1909	1910
Acres sold	11,096.11	1,384.85	774.10	1,273.14	1,233.69
Average per acre	\$2 48	\$7 96	\$6 31	\$5 86	\$4 65
Land sales	\$27,558 29	\$11,028 78	\$4,885 82	\$7,462 23	\$5,740 98
Timber sales	50 00				
Total	\$27,558 29	\$11,028 78	\$4,885 82	\$7,462 23	\$5,740 98

572
67
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*The Michigan Central Railroad Company**REPORT OF THE LAND COMMISSIONER OF THE JACKSON, LANSING &
SAGINAW RAILROAD COMPANY (concluded)*

RECEIPTS

Cash on hand January 1, 1910	\$4,287 53	
From payments on land contracts and sales	4,178 02	
From interest	363 54	
From taxes	209 94	
From trespass	6 00	
	<hr/>	
Total		\$9,045 03

DISBURSEMENTS

Deposited to the credit of trustees	\$2,000 00	
For taxes	1,630 16	
For salaries and commissions	3,649 72	
For miscellaneous expenses	22 15	
Balance	1,743 00	
	<hr/>	
Total		\$9 045 03

NATHANIEL E. SLAYMAKER
Land Commissioner.

Messrs. Ledyard, Russel and Joy, Trustees

Balance on hand end of 1909, as shown by report for that year	\$2,054 85	
Amount received from land commissioner during 1910	2,000 00	
Interest on land fund year 1910	48 16	
	<hr/>	
Cash on hand December 31, 1910		\$4,103 01